



## **CRS Report for Congress**

# **Department of Defense “Section 1207” Security and Stabilization Assistance: A Fact Sheet**

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### **Summary**

Section 1207 of the National Defense Authorization Act for FY2006 (P.L. 109-163) provides authority for DOD to transfer to the State Department up to \$100 million in defense articles, services, training or other support for reconstruction, stabilization, and security activities in foreign countries. This authority expires at the end of FY2008. The amounts that have been transferred thus far were \$10 million in FY2006 and \$99.5 million in FY2007. This report will be updated as events warrant.

Section 1207 of the National Defense Authorization Act for FY2006 (FY2006 NDAA, P.L. 109-163) provides authority for DOD to transfer to the State Department up to \$100 million in defense articles, services, training or other support in FY2006 and again in FY2007 to use for reconstruction, stabilization, and security activities in foreign countries. This authority was extended through FY2008 by Section 1210 of the FY2008 NDAA (P.L. 110-181), which amended the original legislation. Section 1207 authority has been used to fund activities of the State Department’s Office of the Coordinator for Reconstruction and Stabilization (S/CRS) and activities implemented by other agencies that are coordinated by S/CRS. Operations and maintenance funds from the three military services and from the defense-wide account have been tapped for this purpose, although the legislation does not specify a funding source.

**Conditions.** Section 1207 authority requires that any services, defense articles, or funds provided or transferred to the Secretary of State comply with the authorities and limitations of the Foreign Assistance Act of 1961, the Arms Export Control Act, or any law making appropriations to carry out such Act. The Secretary of Defense must notify congressional armed services, foreign affairs, and appropriations committees when the authority is exercised; the notification must be prepared “in coordination” with the Secretary of State.

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**Funding Transfers and Programs.**<sup>1</sup> In FY2006, DOD transferred \$10 million to the State Department for assistance to Lebanon in the midst of the Lebanese conflict. Of this, \$5 million was allocated to the clearance of unexploded ordnance that posed an immediate threat to noncombatants. Another \$5 million was used to assist efforts to train and outfit additional Lebanese Internal Security Forces (i.e., Lebanon's national police). The additional forces permitted the police to replace Lebanese Army forces performing policing duties in the Bekaa Valley as the army was moved to southern Lebanon to enforce the cease-fire between Israel and Hezbollah. According to a spokesperson for S/CRS, DOD lacked the funds for further transfers through this authority in FY2006, even though the authorized amount was \$100 million.

In FY2007, DOD transferred a total of \$99.5 million to the State Department for programs in seven countries and regions. DOD has described the projects funded in FY2007 as "a few small focused activities in various critical countries/regions to demonstrate proof of concept" and judged that while largely successful, "most could have more significant impact if continued or expanded."<sup>2</sup>

The following projects were funded with FY2007 transfers:

- A \$25 million Somalia Reconciliation and Stabilization Program, with \$17.5 million in bilateral assistance to fund a variety of programs, including civilian police reform, security and justice infrastructure rehabilitation, youth employment and income generation activities, as well as \$7.5 million in regional assistance to enhance community-police coordination for cross-border security and to establish neutral zones.
- A \$20 million Haiti Stabilization Initiative in Cite Soleil, Port au Prince's largest slum, that combines community policing with small-scale employment and infrastructure projects in order to improve security and stability and extend central government authority.
- A \$17 million multi-year, interagency, "3-D" (diplomacy, development, and defense) Southeast Asia Tri-border Initiative to deter terrorist recruitment and deny terrorists sanctuary in Indonesia, Malaysia, and the Philippines.
- A total of \$15 million for Trans-Sahara Counter-Terrorism Partnership programs in Mali, Niger, and Mauritania to reduce terrorist recruiting and sanctuary areas.
- A \$10 million Local Stabilization Initiative in Nepal designed to extend the government's police presence to four districts that the U.S.

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<sup>1</sup> DOD provided the funding amounts and information on the projects cited in this section, March 10, 2008. The paragraph on FY2006 activities in Lebanon incorporated information provided earlier by S/CRS.

<sup>2</sup> U.S. Department of Defense, *Fiscal Year 2009 Budget Request Summary Justification*, February 4, 2008, p. 104. Hereafter referred to as *FY2009 Summary Justification*.

government judges to be at risk of communist domination, and to create community-based infrastructure projects in those districts.

- An \$8.5 million Yemen Stability Initiative, targeting areas where the central government is largely absent in order to deter youths from joining terrorist groups.
- A \$4 million Colombia Initial Governance Response Program developed by the State Department and the U.S. Southern Command to help Colombia provide basic health, education, and infrastructure in areas recently reclaimed from local insurgents.

**Congressional Action.** Section 1207 authority was the result of a Senate floor amendment offered by Senator James Inhofe to the Senate version of the FY2006 NDAA (S. 1042), which would have provided funding up to \$200 million per fiscal year. This DOD authority in effect provides a funding source similar to the civilian conflict response fund repeatedly requested by the Bush Administration in foreign operations budget requests and denied by Congress. (For FY2006, the Administration had asked for \$200 million for a State Department Conflict response fund, but neither authority nor funding was provided in non-DOD legislation.)<sup>3</sup>

Conferees on the FY2006 DOD authorization bill stated in their explanatory statement (H.Rept. 109-360), that they were providing “a temporary authority ... to the Department of State until S/CRS is fully stood up and adequately resourced.” Further, the conferees on that bill stated that they were not inclined to continue authorizing DOD funds to enable the State Department to “fulfill its statutory authorities.” Subsequently, the Senate Armed Services Committee, in its report on S. 1547 (S.Rept. 110-77), the Senate version of the FY2008 NDAA, described Section 1207 as a “pilot project.”

In addition to extending the authority through FY2008, Section 1210 of the FY2008 National Defense Authorization Act (P.L. 110-181) augmented the role played by the Secretary of Defense. Under the FY2006 NDAA, the Secretary of Defense’s role was limited to providing services and transferring defense articles and funds to the Secretary of State. The FY2008 NDAA incorporates a provision from the Senate version of the bill (S. 1547) requiring the Secretary of State to “coordinate with the Secretary of Defense in the formulation and implementation of a program of reconstruction, security, or stabilization assistance to a foreign country that involves the provision of services or transfer of defense articles or funds” under this authority. Conferees on the FY2008 NDAA deleted Senate provisions that would have increased the transfer authority amount to \$200 million.<sup>4</sup>

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<sup>3</sup> For more on the conflict response fund, see CRS Report RL32862, *Peacekeeping and Conflict Transitions: Background and Congressional Action On Civilian Capabilities*, by Nina M. Serafino and Martin Weiss.

<sup>4</sup> U.S. Congress, House of Representatives, *National Defense Authorization Act for Fiscal Year 2008*, conference report to accompany H.R. 1585, 100<sup>th</sup> Cong., 1<sup>st</sup> sess., H.Rept. 110-477 (Washington: GPO, 2007), p. 1017.

**FY2009 Budget Request.** For FY2009, DOD has requested \$200 million in Section 1207 transfer authority. In addition, DOD seeks to expand its authority in two ways. It is requesting authority to provide a source of funding for the State Department's FY2009 Civilian Stabilization Initiative (CSI) and to transfer funds not only to the Department of State, but also, with the concurrence of the Secretary of State, to other departments and agencies. Through the CSI, the State Department seeks to establish a 250-member interagency Active Response Corps and a 2,000-member Standby Response Corps of experts from federal civilian agencies for deployment abroad on stabilization and reconstruction missions, as well as a civilian reserve of experts from the private sector (for profit and non-profit), and from state and local governments.<sup>5</sup> The interagency ARC and SRC members would be drawn from the Departments of State, Justice, Commerce, Treasury, Agriculture, Health and Human Services, and Homeland Security, and from the U.S. Agency for International Development (USAID).

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<sup>5</sup> *FY2009 Summary Justification.*